Saskatchewan
Ministry of
Agriculture

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending August 16, 2013

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Feeder Cattle

Steers

	Range	Average	Change from last week
300-400	-	-	-
400-500	146-160	153.83	-
500-600	140-165	151.75	-
600-700	135-159	143.83	-
700-800	132-152	141.83	-
800-900	130-145	137.75	-
900+	130-140	135.75	-

Heifers

	Range	Average	Change from last week
300-400	129-149	141.67	-
400-500	130-147	136.75	-
500-600	125-147	137.00	-
600-700	125-144	132.30	-
700-800	122-139	131.38	-
800+	121-136	128.83	-

Source: Canfax.

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

Canfax reported that a total of 4,494 head of cattle were sold in Saskatchewan this week, up from 2,875 head marketed the previous week. Due to the small volume of feeder cattle marketed in Saskatchewan during the week of August 9, weekly average feeder cattle prices for that week were unavailable. As such, no week to week price comparison is available in this report.

Feeder cattle prices in general have strengthened and should remain steady to slightly higher into fall with good feed grain crops on the horizon. Special yearling sales will start to pick up shortly which will help improve cattle volumes.

The Saskatchewan 750 lb. feeder steer basis compared to the August 15, 2013 U.S. feeder cattle index at US$152.36 per cwt was calculated at -$15.70 per cwt (US$152.36/0.9672 - $141.83), a basis narrowing of $0.94 per cwt from -$16.64 per cwt on August 2, 2013.

Feeder cattle futures prices were mixed over the week with the nearby August and September contracts moving higher while the October and November contracts were down slightly. Higher corn prices over the week were likely negative on the fall feeder cattle future contracts.

Fed and Non-fed Cattle

	August 16	August 9	Change
Cows (Alberta)			
D1,2 Live	82.65	80.57	+2.08
D3 Live	73.63	72.71	+0.92
Rail	156.00-161.00	156.00-161.00	+0.00

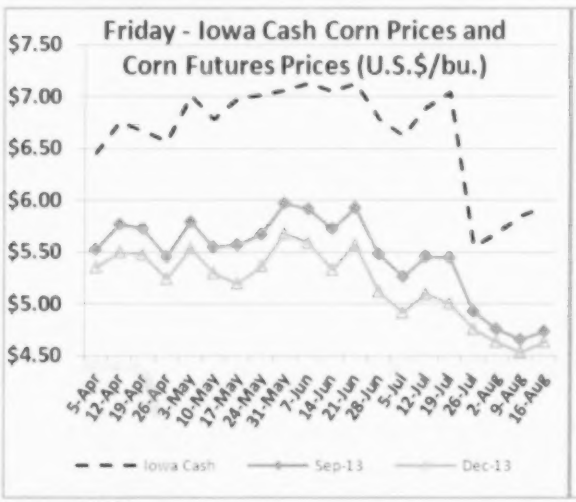
Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were higher from the previous week with D1,2 slaughter cows increasing $2.08 per cwt to average $82.65 per cwt, while D3 slaughter cows increased $0.92 per cwt to average $73.63 per cwt, from last week.

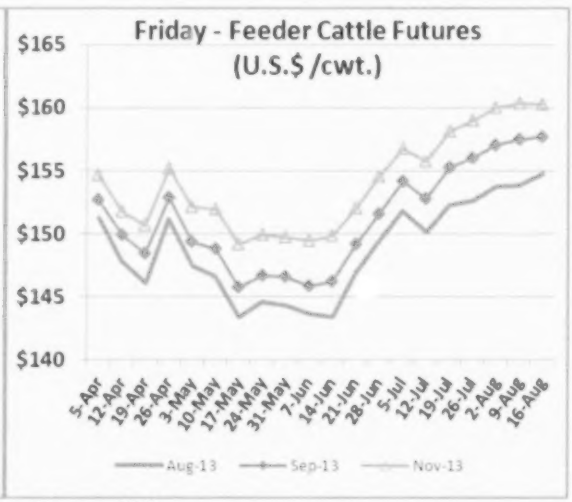
Fed cattle prices in Western Canada have increased over the week after declining the previous week. Fed steers in Alberta were reported to average $119.06 per cwt, up $0.61 per cwt from $118.45 per cwt the previous week.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$124.12 per cwt, up from US$122.45 per cwt the previous week. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$198.00 per cwt, up from US$195.95 per cwt the previous month.

Corn prices ended higher, week-over-week. Iowa cash corn prices were up about 10 cents per bushel while the September and December 2013 corn futures contracts increased 8 and 10 cents per bushel, week-over-week. USDA's first report on unplanted acres was published by the Farm Service Agency this week. The prevented corn plantings were high at 3.4 million acres while actual corn plantings were low at 88.5 million acres, well below the last WASDE report of 97.4 million acres. USDA also issued warnings of the risk of early frost for early to mid-September.



Source: CME



Source: CME

Live cattle futures prices continued to move higher over the week with improved beef cutout prices, averaging US$192.13 per cwt (Choice 600-900 lb.), up from US$187.92 per cwt the previous week. The August to December 2013 live cattle futures contracts increased from US$1.050 per cwt to US$1.400 per cwt, week-over-week.

On Friday, August 16, 2013, Merck announced that they would temporarily suspend the sales of Zilmax following concerns about the use of the product. Merck remains confident in the safety of the product but will conduct an audit of how the product is used "from the feed yard to the packing plant" (Reuters). The previous week Tyson Foods announced that as of September 6, 2013, they would suspend purchases of cattle that were supplemented with the feed additive known as Zilmax.

Friday Price Information

Product		This Week (August 16)	Week of: (August 9)
Canadian Dollar (closing rate US$)		.9672	.9714
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		152.36	150.24
Seven-day Weighted Average FC Index Wt. (lb.)		769	771
Live Fed 5-area Steer Price (US$ per cwt)		124.12	122.45
Feed Grains			
Barley	Lethbridge ($/tonne)	222.00	233.00
	($ per bu.)	4.83	5.07
Corn	Iowa State Average (CDN$/tonne)*	241.78	236.68
	(US$ per bu.)	5.94	5.84
	Omaha, NE (CDN$/tonne)*	245.85	237.89
	(US$ per bu.)	6.04	5.87
Futures			
	September Corn (US$ per bu.)	4.73¾	4.65½
	December Corn (US$ per bu.)	4.63½	4.53¼
	August Live Cattle (US$ per cwt)	123.900	122.500
	October Live Cattle (US$ per cwt)	127.925	126.875
	August Feeder Cattle (US$ per cwt)	154.775	153.850
	October Feeder Cattle (US$ per cwt)	159.875	160.000

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate

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